

ABSTRACT

A system and method for managing hedge funds is disclosed. The method comprises conducting market analysis to identify and filter a pool of financial instruments for the construction of a hedge portfolio database, conducting computerized quantitative analysis on 5 combinations of the financial instruments in the hedge portfolio database to identify potential hedge positions, filtering at least one of the combinations based on filtering parameters to form a clearance combination, placing a trade order to open a hedge position based on the clearance combination, monitoring the hedge position to determine whether trading parameters have been met, and placing a trade order to close the hedge position. Other embodiments are disclosed and 10 claimed herein.